BMW GROUP CHINA CAPITAL MARKETS DAY 2019.

BIRGIT BOEHM
SENIOR VICE PRESIDENT FINANCE AND GROUP TREASURER OF BMW GROUP.

Beijing 03.07.2019
UPDATE
Strategy NUMBER ONE > NEXT

FINANCIAL PERFORMANCE
Review and Outlook 2019
BMW GROUP AUTOMOTIVE: BALANCED SALES DISTRIBUTION AND YTD-05/2019 AT LAST YEAR’S HIGH LEVEL WITH A TOTAL OF 1,012,093 VEHICLES (+0.8%).

Sales figures YTD-05/2019. Figures may not add to 100% due to rounding.
*Includes Rolls Royce sales figures
VERY ATTRACTIVE AND FRESH LINE UP OF THE X FAMILY SUPPORTS GROWTH AND PRODUCT MIX.
BMW 8 SERIES COUPÉ, CONVERTIBLE AND GRAN COUPE. THE PINNACLE OF SPORTS PERFORMANCE AND EXCLUSIVITY.
THE NEW ROLLS-ROYCE CULLINAN – EFFORTLESS EVERYWHERE. LUXURY, PERFORMANCE AND USABILITY NOT SEEN BEFORE IN THE SUV MARKET.
BMW GROUP AUTOMOTIVE: BALANCED PRODUCTION & SALES DISTRIBUTION AND SOLID FY-2018 GROWTH OF +1.1% TO A NEW RECORD OF 2,490,664 VEHICLES.

<table>
<thead>
<tr>
<th></th>
<th>Americas</th>
<th>Europe</th>
<th>Mainland China</th>
<th>Rest of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales FY-2018</td>
<td>18%</td>
<td>44%</td>
<td>26%</td>
<td>12%</td>
</tr>
<tr>
<td>in 1,000 units</td>
<td>456 units</td>
<td>1,098 units</td>
<td>634 units</td>
<td>297 units</td>
</tr>
</tbody>
</table>

Production FY-2018

<table>
<thead>
<tr>
<th></th>
<th>Americas</th>
<th>Europe</th>
<th>Mainland China</th>
<th>Rest of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>in 1,000 units</td>
<td>14%</td>
<td>62%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>357 units</td>
<td>1,565 units</td>
<td>518 units</td>
<td>101 units</td>
</tr>
</tbody>
</table>

*Rolls Royce is included in *Rest of World*, FY-2018 (figures may not add to 100% due to rounding)
BMW GROUP CONTINUES TO EXPAND ITS PRODUCTION NETWORK. DECISION FOR NEW PLANTS & EXPANSIONS REAFFIRMS PERSPECTIVE FOR GLOBAL GROWTH.

San Luis Potosí Plant in Mexico
The plant will offer production capacity of up to 150,000 units a year.

Spartanburg Plant in USA
Total production capacity increases to 450,000 units per year.

Debrecen Plant in Hungary
The plant will offer production capacity of up to 150,000 units a year.

Tiexi / Shenyang Plants in China
Total production capacity increases to 650,000 units per year.
SETTING THE FOUNDATION FOR OUR BMW / MINI BRANDS IN CHINA.

BMW equity share from 2022

NEW Spotlight Automotive Ltd.
OUR FUTURE IS ELECTRIC.
AMBITIOUS TARGETS FOR SALES OF ELECTRIFIED VEHICLES.

311
2013

17,800
2014

32,000
2015

62,000
2016

103,000
2017

142,600
2018

500,000
BY THE END OF 2019
ON THE ROAD

ELECTRIFIED VEHICLES

YTD-05/2019
47,900 ELECTRIFIED VEHICLES SOLD

Electrified vehicles = Battery electric vehicles & Plug-in hybrid vehicles
BENEFITS OF BEING AHEAD OF THE CURVE: BMW XEV MARKET SHARES EXCEED THOSE OF “TRADITIONAL” BMW CARS BY FAR.

BMW Infographic

Data source: IHS Market New Registrations (as of most recent report from 04/2019)
OUR CLEAR ROADMAP: AT LEAST 25 ELECTRIFIED MODELS BY 2023, INCLUDING AT LEAST 13 FULLY ELECTRIC CARS.

Fully electric

BMW i3
- 2014: 60 Ah / 22 kWh
- 2015: 94 Ah / 33 kWh
- 2016: 94 Ah / 33 kWh
- 2017: 120 Ah / 42 kWh
- 2018: 120 Ah / 42 kWh

BMW i8
- 2014: BMW i8 Coupe
- 2015: BMW i8 Roadster

BMW X1 xDrive25e
- 2020

BMW Vision i4
- 2021

BMW iX3
- 2022

MINI BEV
- 2023

Plug-in hybrid

BMW 225xe
- 2020

BMW 330e
- 2021

BMW 530e
- 2022

BMW 740e
- 2023

BMW Vision i4
- 2023

MINI Cooper S E Countryman ALL4
- 2023

Schematic illustration of future launch dates
* Not in series production any more
** MINI Battery Electric Vehicle & BMW iX3 Vision are Concept Cars
THIS ALLOWS US TO SET UP OUR PLANTS FLEXIBLY AND TO AVOID A SEPARATION BETWEEN COMBUSTION AND ELECTRIC POWERTRAIN.

Common Architecture for any Type of drivetrain.

- Development of flexible architectures for cars with combustion engines, plug-in hybrids, and pure-electric vehicles.

Enablement of the plants for all types of powertrains

- Flexibility and utilization
  - Flowing technological transition possible
  - Exchange Flexibility is guaranteed
  - Sustainable future-oriented jobs
MINI ELECTRIC CONCEPT.
MINI COUNTRYMAN PLUG-IN HYBRID.
THE BMW CONCEPT iX3. ELECTRIC MOBILITY ARRIVES AT THE CORE OF BMW.
THE BMW VISION iNEXT. FUTURE FOCUSED.
iNEXT— THE BUILDING BLOCKS FOR THE FUTURE.
THE DEVELOPMENT OF TODAY’S ASSISTED FUNCTIONS TO FULL AUTOMATION EQUALS A TECHNOLOGICAL QUANTUM LEAP.

Levels according to SAE (Society of Automotive Engineers) J3016
THE BMW GROUP USES INDUSTRY AND CROSS-INDUSTRY COOPERATION TO PREPARE ITSELF FOR FUTURE TECHNOLOGIES AND BUSINESS OPPORTUNITIES.

<table>
<thead>
<tr>
<th>Core BMW Partnerships/Cooperations</th>
<th>Electrification</th>
<th>Autonomous driving</th>
<th>Mobility services</th>
</tr>
</thead>
<tbody>
<tr>
<td>BMW &amp; R-R</td>
<td>Flexible vehicle architecture</td>
<td>Vehicle Integration, Motion Control</td>
<td>BMW 360° ELECTRIC</td>
</tr>
<tr>
<td></td>
<td>Electric engine</td>
<td>Sensors and AI/Environment model</td>
<td>Home and public charging services and products</td>
</tr>
<tr>
<td></td>
<td>Battery cell Research &amp; assembly</td>
<td>HD-map backend</td>
<td>YOUR NOW Joint Venture</td>
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<td></td>
<td>northvolt</td>
<td>APTIV, FCA</td>
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<td>IONITY</td>
<td>Continental, MAGNA</td>
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<td>CATL</td>
<td>HERE</td>
<td></td>
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<tr>
<td></td>
<td>SAMSUNG, SAMSUNG SDI</td>
<td>MoU with Daimler R&amp;D for next technology level</td>
<td></td>
</tr>
</tbody>
</table>
YOUR NOW JV. THE "MOBILITY POWERHOUSE" WITH A SIGNIFICANT END CUSTOMER BASE AND COVERAGE WORLDWIDE.

* For the U.S. entity of PARKNOW, the March 2019 figures are estimated.
** Partially, customer data is aggregated and thus, data summation is w/o the consideration of possible redundancies.
*** Monthly gross merchandise value run rate is based on the previous month's figure.

**Overall Q1 2019**

<table>
<thead>
<tr>
<th>Customers** in millions</th>
<th>Interactions in millions</th>
<th>Cities**</th>
<th>Overall GMV RR*** in billions €</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;4</td>
<td>24.4</td>
<td>6.7</td>
<td>30.9*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt;66</td>
</tr>
<tr>
<td>9.2</td>
<td>53.2</td>
<td>7.7</td>
<td>54.1*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.06</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>124.2</td>
</tr>
<tr>
<td>30</td>
<td>&gt;110</td>
<td>20</td>
<td>&gt;1,200*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt;1,200</td>
</tr>
</tbody>
</table>

* €
FINANCIAL PERFORMANCE
Review and Outlook 2019
EXTERNAL CONDITIONS ARE CHANGING FASTER THAN EVER. THE ONLY CONSTANT WE CAN RELY ON IS OUR STRATEGIC FOCUS.

In volatile times, **profitability**, **flexibility**, and a **consistent strategic direction** are key.
FY-2018 RESULTS.
SETTING HIGH STANDARDS IN CHALLENGING ENVIRONMENT.

Group EBIT- Margin: 9.9%

AUTOMOTIVE
EBIT-margin at 7.2%
> 2.5m vehicles sold

FINANCIAL SERVICES
RoE >14%
50% Penetration Rate
Credit Loss Ratio <0.3%

MOTORCYCLES
Record year with >165k sold vehicles
EBIT-margin at 8.1%
R&D RATIO: 2018 INCREASES TO 7.1%, AS EXPECTED.

R&D ratio (HGB)  
BMW Group

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.5%</td>
</tr>
<tr>
<td>2017</td>
<td>6.2%</td>
</tr>
<tr>
<td>2018</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Target: 5% - 5.5%

R&D expenditure (HGB)  
[In m€]

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,164</td>
<td>6,108</td>
<td>6,890</td>
</tr>
</tbody>
</table>

GROUP CAPITAL EXPENDITURE: UP BY ALMOST ONE BILLION EUROS.

Capex ratio  
BMW Group*

- Target: <5%
  - 2016: 4.2%
  - 2017: 4.8%
  - 2018: 5.2%

Capital expenditure*  
[In m€]

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,731</td>
<td>4,688</td>
<td>5,029</td>
</tr>
</tbody>
</table>

* Excluding capitalised development costs
HIGH GROUP LIQUIDITY ENABLES US TO CHART OUR OWN COURSE.

Liquidity [in m€]

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable securities</td>
<td>5,287</td>
<td>5,447</td>
<td>5,316</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7,880</td>
<td>9,039</td>
<td>10,979</td>
</tr>
</tbody>
</table>

FREE CASH FLOW IN AUTOMOTIVE SEGMENT REMAINS STRONG, DESPITE SIGNIFICANTLY HIGHER INVESTMENTS.

Free Cash Flow (Automotive)* [in m€]

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,792</td>
<td>4,459</td>
<td>2,713</td>
</tr>
</tbody>
</table>

Target: >3bn

* Definition: Free cash flow corresponds to the cash inflow from operating activities of the Automobiles segment less the cash outflow for investing activities of the Automobiles segment adjusted for net investment in marketable securities and term deposits.
OUTLOOK 2019.
SETTING HIGH STANDARDS IN CHALLENGING ENVIRONMENT.

AUTOMOTIVE
Slight increase in deliveries.
EBIT-margin between 4.5 and 6.5% *.

MOTORCYCLES
Solid increase in deliveries.
EBIT-margin between 8 and 10%.

FINANCIAL SERVICES
Return on Equity on par with previous year’s level.

BMW GROUP
Significant decrease in Group earnings before tax.
Size of workforce at year-end on par with previous year’s level.

*Without the effect of the provision for the ongoing antitrust proceedings amounting to approx. € 1.4 billion, the target range for the EBIT margin of 6-8% has not changed.
PERFORMANCE > NEXT.
IMPORTANT DECISIONS ALREADY BEING IMPLEMENTED.

Customer and Sales
Improvement in sales performance and optimisation of customer interface.

Vehicle
Intelligent product variation with focus on customer benefit and significant cost reduction.

Process and Structure
Accelerate Idea-to-Offer Process; optimisation of processes and organisational structure.

06/2017 2022 2030
~EUR 12 bn
New Vehicle Generations
WE ARE NUMBER ONE.
WE INSPIRE PEOPLE ON THE MOVE: WE SHAPE TOMORROW’S INDIVIDUAL PREMIUM MOBILITY.

– Full commitment to its goal of leading the transformation of the industry.

– Continued strive for sustained high profitability as the foundation of its Strategy NUMBER ONE > NEXT.

– Leverage of opportunities in the global premium markets.

– Flexibility to deal with a challenging and volatile environment.